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THE FIFTH BIENNIAL CONFERENCE

OF THE

INSTITUTE OF PACIFIC RELATIONS

A BRIEF FORECAST OF THE PROGRAM OF THE
1933 CONFERENCE CIRCULATED TO NATIONAL
COUNCILS AND INSTITUTE MEMBERS FOR
DISCUSSION AND CRITICISM.

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PUBLISHED BY

THE INSTITUTE OF PACIFIC RELATIONS

Honolulu, Hawaii

1932



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PREFACE

The appearance of this booklet on the program of the 1933 conference of the Institute of Pacific Relations at so early a date when the time and place of that meeting have not yet been determined betokens a new departure in the technique of conference preparation, and for that reason warrants a few words of explanation to members and supporters of the Institute who may perhaps wonder at the publication of such a program following so closely upon the heels of the Shanghai conference. There is no need to elaborate the obvious strategic importance of catching the attention of members and directing their thoughts toward the discussions of the next conference while their interest in the last meeting and in the Institute's work generally is still keen. To do so is simply to emphasize in a new way the commonplace that the work of such an organization consists not merely in a series of isolated happenings called conferences but in an unceasing process going on in eight or nine countries, of discussion, fact-finding and the shaping of public opinion. It is to bring the ordinary conference member into mental partnership with the Secretariat and the permanent committees of the Institute in their task of supervising the growth of what is now acknowledged to be an important body for the continuous scientific study and discussion of international relations.

In doing so the Secretariat is endeavoring to improve still further upon a process which was found to be profitable in the preparation for the China conference. It was widely felt that the meeting of the International Program Committee which took place about a year in advance of the actual conference and laid down the main topics for the discussions had proved well worth while. Good evidence of this was to be seen in the fact that despite numerous last minute difficulties in connection with the actual holding of the conference, the program of discussion actually adhered very closely to that drafted in New York toward the end of 1930.

At the close of the China conference there was accordingly a definite expression of opinion that the Program Committee should endeavor to lay down in broad outline the subjects which should come up for discussion at the Fifth Biennial Conference in 1933, their aim being not to provide for the whole program but for about three-fourths of it. It was believed that such a policy would do much to coordinate the activities of the national groups in the intervening two years by giving them a common goal at which to aim and would also permit of a much more effective cooperation between the conference and the research departments of the Institute and give the various national research councils a guide for planning new studies.

The Pacific Council at its meeting held in Shanghai on November 3, 1931, after considering the recommendations of the Program Committee, voted that the general theme for discussion at the 1933 conference should be "Conflict and Control of Economic, Political and Cultural Life in the Pacific," and that the discussions should be grouped under the following broad divisions:

1. Trends and control of the social and political forces in the Pacific.
2. Schemes for economic planning in the Pacific area.
3. Contact of cultures in the Pacific and the problem of education.

To the International Secretariat the Pacific Council relegated the task of working out the detailed subheadings and (where it was deemed necessary) the rephrasing of these headings. In accordance with these instructions the Secretariat, in consultation with the Chairman and Vice-chairman of the Program Committee, drafted an outline of the questions which it believed might most usefully be discussed under these headings and distributed it to all conference members and to all members of the permanent Institute committees in a circular letter dated November 7, 1931.¹ This booklet is

¹ Re-printed in *Pacific Affairs*, January, 1932, pp. 32-34.

intended to present in somewhat more detail these problems for conference discussion which necessarily could be drafted only in very summary fashion in the circular letter.

It will be apparent from the general title and the three subheadings mentioned above that the 1933 conference of the Institute is designed to follow a path distinctly different from that pursued in past conferences. In planning thus the Program Committee was again endeavoring to give vent to opinions expressed by the general conference members in the "critique" round tables which were held at the end of the China conference. Many members in these discussions felt that the time had come for the Institute to attempt to discuss problems which were fundamental, international in scope, and common to all the main Pacific countries, rather than to concentrate in large measure, as it has done in the third and fourth conferences, on the problems of one country or one special region. There was full appreciation of the fact that to make this change would probably lay the Institute open to the criticism from some quarters that it was detaching itself too far from realities, and on the other hand that it might find itself attempting to cover far too much ground in a superficial way. Notwithstanding this, however, it was believed that the change was justified. Not the least of the advantages which might be expected to accrue from it would be that round tables would lend themselves more effectively to real participation from members of all Pacific countries and would enable each national group in organizing its advance preparation to feel that it was in a very real way contributing to a process of international education and propaganda in the best sense of the word. The Program Committee and the Secretariat, in drafting the preliminary list of questions for discussion, had perforce to think also of the fact that the Institute membership will be enlarged at the fifth conference by the participation of two newly organized national groups, from the Soviet Union and from the Philippines, and perhaps also a group from the Netherlands East Indies.

There is accordingly somewhat more logic than might at first sight appear in the choice of the general topics for discussion. The title points out the important fact that the Pacific Ocean is the meeting place of widely divergent economic interests, opposing political aspirations and conflicting cultural tendencies. In some cases the conflict implied in these differences is as yet latent; in others it has already manifested itself in economic or political antagonisms. The second term of the title is designed to emphasize the constructive thinking which it is hoped will characterize the discussions of the 1933 conference. It calls attention to the possibilities of checking, or better still of harnessing, these conflicting forces in an attempt to guide them in such a way as to promote not merely more friendly relations between the nations of the Pacific but to permit of the easier attainment of that international comity into which the modern world, thanks to man's conquest of the forces of nature, is being inevitably drawn.

This booklet, which has been prepared by the Acting Research Secretary of the Institute, in consultation with the Chairman of the International Program Committee, is intended primarily to direct the thinking of the various national groups during the years prior to the conference and also, it is hoped, to serve as a very general guide for the continuous study groups of the kind that have been held with such success in the Australian and Japanese National Councils. It is designed to stimulate discussion and even to evoke criticism from these national groups rather than to lay down the actual subjects for discussion. In the light of the criticisms which the national groups are asked to pass on to the Central Secretariat, and in the light of the major interests selected by them, it is expected that a revised edition may be issued later in the year. As has already been stated in the circular letter, the Secretariat proposes to publish about July of the current year a series of syllabi which will be distributed to all groups to serve as a basis for a preliminary round table discussion. It

will be highly appreciated by the Secretariat and the International Program Committee if all comments and criticisms are passed on promptly to the Acting General Secretary in Honolulu.

—HU SHIH

(Chairman, International Program Committee)

Peiping

February 1st, 1932

I. INTRODUCTORY

The Pacific area is as ironically named as its ocean. Few parts of the world appear so charged with the potentialities of human conflict and discord as the lands bounding this region. Across its waters the newest and the oldest civilizations of the world confront each other; around its shores are to be found some of the emptiest and some of the most densely peopled of the world's habitable lands; its island territories have been the setting for the clash of half a dozen imperialisms born of the economic expansion of the western world; it includes today three of the world's great political powers and is at the same time the home of more politically dependent peoples than any other part of the world except India; for its raw materials in the past and nowadays for its markets as well, the traders and manufacturers of the west have engaged in continuous and oftentimes violent competition; its problems are at once those of small specialized island communities and those of vast modernized states; it is the meeting ground of a score of antithetic ideas in their extremest forms—agricultural and industrial economies, scientific and traditional methods of production, dictatorships and democratic government, capitalism and communism, to name but a few.

Nor are these discords merely potential causes of open strife in the future, for they have kindled into outspoken international resentment on more than one occasion in the past and have at the present moment blazed up into hostilities between two of the great Pacific nations. Furthermore there is good reason for believing that the permanent condition of strain engendered by these forces has not been mitigated but intensified in recent times. The present world economic catastrophe, to take one obvious example, has in many parts of the Pacific area injected a new irritant into situations already inflamed from local causes.

To enumerate these areas of conflict and to dwell on the international dangers which are inherent in them is neither difficult nor very profitable and it must be emphasized at the

outset that the 1933 conference will achieve but little if it contents itself with this. Rather its greatest justification will consist in the extent to which it can concentrate on constructive suggestion and on examining the means for the alleviation and control of these situations of conflict. The word "control" perhaps calls for explanation since it did in fact raise misunderstanding in the minds of some members of the China conference program committee which drafted the topics for the 1933 meeting. The word must not be interpreted as meaning the imposition of restraint from above or from outside so much as "control" in the scientific sense of rational utilization and harnessing of already existing forces. If this fact is realized, it can be seen that "control" is not such a new or such a disturbing concept as it might appear at first glance, and a little thought will serve to reveal the existence of dozens of situations in which it has already been exercised throughout the Pacific countries in the political, economic and cultural spheres. In all cases, however, the main problem which will confront the conference members will be how far these types of control which have been applied with varying degrees of success to municipalities, to nations and even to empires, can be extended much more generally to form part of an international plan.

It is obvious that a major difficulty arises from the fact, which was brought out on several occasions in the China conference, that the Pacific area is not a political, economic or cultural unit in any sense, and that the chances of its ever becoming so are exceedingly remote. In the political sphere, for example, the three great powers, America, Japan and the Soviet Union, must frame their foreign policies and their plans for national defence with reference to conditions in the European world. In the economic sphere, as was well brought out in the discussion of trade relations at the China conference, the Pacific area still depends to a great extent upon the western world both for supplies and for markets, although there are grounds for believing that it is becoming more and more

self-contained. In the cultural sphere the same thing applies. Australia and New Zealand, for example, have most of their cultural ties with Great Britain; modern Japan has many of hers with Germany. In any event, the existing historic differences in the cultures of the Pacific nations are so great as to make the concept of a special "Pacific" civilization a vague abstraction. Yet it must be admitted that the central phenomenon in the modern world is not that these deep-rooted differences do exist but that they can be broken down and transformed with amazing rapidity, and a few modern inventions such as the automobile or radio or moving picture along with the disruptive ideas which accompany the introduction of these devices, may be the means of disintegrating a system which has withstood the accumulated change of centuries.

In the sections which follow, we attempt to sketch some of the outstanding areas of conflict, and to suggest, first the various types of control which have already been devised and second the possibility of extending these, and especially of enlarging them on to an international plane. We begin with a set of phenomena which are rather arbitrarily labelled "economic" proceeding from them to the political and thence to the underlying and more inclusive cultural problems. There is nothing particularly significant in adopting this order, since it might easily be reversed, and there are, in fact, good grounds for dealing with the fundamental cultural differences first simply because they are basic. But for purposes of conference discussion it is judged best to take as a starting point the more concrete and visible types of conflict which have characterized the modern economic world, since it is initially in economic activities that man's increasing control over the forces of nature has been applied with the most far-reaching results.

Appended to this outline is a summary of the projects in the current international research program of the Institute (Section VI). A glance at this will enable readers to form

some idea of the general range of the documents and reports likely to be available at the 1933 conference. These will need to be supplemented by data papers and research reports undertaken by the various national councils along the lines suggested here and there in the following pages. In Section VII these suggestions for research and pre-conference discussion are summarized in tabular form along with various questions for discussion at the conference including those set out already in the circular letter and re-printed in the January, 1932 issue of *Pacific Affairs* (pp. 32-34). It must be emphasized, however, that this list of questions is compiled merely for purposes of convenient reference. It does not represent the final choice of topics for the conference. That choice will depend largely on the criticisms, additions and corrections which the various national groups suggest after studying the present booklet. A reading of the following pages will at least make clear the wide, if not unwieldy, range of the questions involved, and, it is hoped, elicit concrete proposals for drastically narrowing down the program to more manageable dimensions.

II. ECONOMIC CONFLICT AND CONTROL

The word "economic" throughout this section must be interpreted in a very broad sense to include a number of phenomena which might more accurately be described as "social" and others which come almost within the realm of politics. The reason for this comprehensive use of the term is that the problems of conflict and control which the Institute seeks to study are, in the main, what may be called frontier problems lying on the border-lands between economics, social theory and political science. Their significance as international problems arises from this very fact. The conflicts inherent in them take their origin in a disharmony between economic and social ideals or in a failure of political concepts and mechanisms to keep pace with changing economic realities. The control which it is hoped to achieve is the control of economic, political and legal forces and institutions with reference to some ideal of international social welfare. The chances of devising such means of control will be found to depend ultimately first on the choice of a definite end, whether "the good life" or "the classless society" or "equality of opportunity" which is acceptable on an international scale and can be applied not merely to individuals within a nation but to races, creeds and classes; second on the possibilities of mobilizing expert knowledge in social policy from all nations and of using it deliberately to combat both the inertia of the popular will and the misrepresentations of anti-social vested interests which stand to lose through the introduction of a juster economic order.

If this broad definition is accepted it is easy to take up what is by all odds the central problem of economic conflict in the Pacific area, namely the conflict arising out of that process which seems to be a natural product of the capitalist economy, and which for want of a better word may be called "Expansionism." This is essentially the process known to Marxian theorists as "imperialism," but the word has become so tinged emotional associations in popular usage and its connotation

varies so greatly according to whether one's sympathies are with the builders of empires or with the oppressed peoples of the world, that it is better to use a more colorless word to describe the economic phenomenon as an essential product of capitalism. "Expansionism" should therefore be taken to mean that process which perhaps attained its zenith in the first decade of the 20th century and under which the capitalistic nations have reached a stage in their industrial development where they can no longer be self-contained and accordingly are induced or driven to engage with agricultural and politically undeveloped countries in the exchange of raw materials, manufactured goods and capital. The process is inevitably accompanied by a complex set of political and social reactions in the backward countries involved. Historically the process has been commonly associated with policies of colonization and territorial aggrandizement on the part of the industrialized nations, although since the end of the great war this phase has to some extent been superseded by a process of more purely economic penetration through the medium of foreign investment. From another point of view it is possible to conceive of this whole process—of which the Far East, the islands of the Pacific, and the continent of Africa, furnish classic examples,—in terms of migrations, which are simply another manifestation of expansionism. In some cases the migration was an actual movement of populations in an attempt to relieve the pressure created by the industrial revolution in the western countries and it was on the grounds of providing such outlets that certain forms of colonial expansion were condoned. In others it took the form of an outflow of productive resources in the shape of capital, and along with capital many of the ideas, technical devices, and forms of social organization that grew out of the progress of the industrial revolution in the west. Finally it took the form of foreign trade. This is but another name for the migration of commodities and services which after a certain stage of growth in the home countries were produced in ever increasing quantities demanding new external outlets

for their disposal, and conversely, when once those outlets had been established, calling for new sources of raw materials overseas in order to supply the newly found markets. The process was described by Lenin in the following words:

“At a certain stage in the development of exchange, at a certain stage in the growth of large scale production, namely at the stage that was reached approximately at the end of the nineteenth and at the beginning of the twentieth centuries, commodity exchange had created such an internationalization of economic relations and such an internationalization of capital accompanied by such a vast increase in large scale production that free competition began to be replaced by monopoly. The prevailing types were no longer enterprises freely competing inside the country through intercourse between countries, but monopolistic alliances of entrepreneurs, trusts. The typical ruler of the world became finance capital, a power that is peculiarly mobile and flexible, peculiarly intertwined at home and internationally, peculiarly devoid of individuality and divorced from the immediate processes of production, peculiarly easy to concentrate, a power that has already made peculiarly large strides on the road of concentration, so that lately several hundred billionaires and millionaires hold in the hand the fate of the whole world ”¹

So much for the historical facts the existence of which can scarcely be disputed. Whether one accepts the view of the Marxist that this process is an integral part of capitalism and one of the strongest arguments for the abolition of the capitalistic system, or whether one attempts to explain it by reference to other historical tendencies and to justify it on the grounds that it was part of the “mission civilisatrice” of the western world, there is no denying the fact that it has brought in its train the major problems of economic conflict in the Pacific area of today. There have been few attempts to explain the process on the part of capitalistic nations or on the part of

1 Preface to N. Bukharin's *Imperialism and World Economy*, Martin Lawrence, London.

those large capitalistic organizations which played the leading role in it. Communists have damned it under the name of exploitation and imperialism; theorists have analyzed it from the historic viewpoint and have even attempted to show that it has not been everywhere as profitable to the industrialized powers as might have been hoped, since colonies have sometimes proved to be liabilities rather than assets and territorial aggrandizement has seldom furnished the expected relief for population pressure at home or a profitable outlet for surplus capital; but few of those individuals or agencies who had most to do with the policies of expansionism have attempted scientifically to analyze it or to produce a reasoned justification.

Some such attempt, nevertheless, is urgently needed, for however haphazard the process appeared in its heyday, it can now be seen that certain well defined threads of logic and plan run through it. What is needed is not merely the popular assertions made by politicians but a careful examination of how far the process has in fact justified itself as an economic weapon or alternatively how far it has produced only temporary benefits to be succeeded by a period of reaction which resulted in a net economic disadvantage for expansionist countries as a whole, although not necessarily for the particular capitalistic interests chiefly concerned in it. It is suggested that a study of this type would be desirable, indeed almost an essential piece of preparatory work for the 1933 conference. In such a study the first requirement would be the collection of information concerning the extent to which the western world and the two great industrial countries of the Pacific are dependent upon the other Pacific countries for supplies of raw material and for outlets for the marketing of their manufactured products. A great deal of this information is fairly readily available. The principal task would be to have it assembled in concise and comparable form for all the Pacific countries and, more important still, to attempt some forecast of the extent to which this dependence is likely to

increase or diminish in the future. A parallel study would necessarily have to be made to show the extent to which capital export has taken place from the industrial nations of the world into the Pacific area and here again a forecast of probable future tendencies would be an essential part. In this connection it is important to take note of a point that might well form the basis of a round table discussion, namely the devices which most modern governments of capital-exporting nations have adopted in recent years in order to exercise a closer control over foreign loan operations and over the formation of large international cartels and trusts, or on the other hand, of measures taken by capital-importing countries to combat the danger of unregulated economic penetration by external business interests. Numerous cases of both of these types of control could be cited. Of the first a leading example is to be found in the American State Department's control over the issue of foreign loans by American capitalists; examples of the second may be found in Australia, New Zealand and Japan, where company regulations usually provide that foreign companies established on their soil must have the greater part of their stock held by nationals. A similar discussion and a similar preliminary survey might well be made of the allied problem of dumping and of the regulations aimed at controlling the practice in Pacific countries. It will be recalled that according to the exponents of Marxian economics, dumping and protective tariffs are inseparably allied and appear inevitably at a certain stage in the development of capitalistic economy.

“Present day high protection is nothing but the economic policy of cartels as formulated by the state; present day customs duties are cartel duties, i.e. they are a means in the hands of the cartels for obtaining additional profit, for it is quite obvious that if competition is eliminated or reduced to a minimum in the home market, the ‘producers’ can raise the prices inside the home market, adding an increment equal to the tariff. This additional profit makes it possible to sell

commodities in the world market below the cost of production, to practice dumping, which is the peculiar export policy of the cartels. This explains the apparently strange phenomenon that present day tariffs 'protect' also export industries..... When we now survey the world economy as a whole, there appears before our eyes the following picture: cartel tariffs and the dumping system practiced by the foremost countries provoke resistance on the part of the backward countries which raise their defensive tariffs; on the other hand the raising of tariffs by the backward countries serves as a further stimulus to raise the cartel duties that make dumping easier. Needless to say that the same action and counteraction take place both among the foremost countries in relation to each other and among backward countries in their mutual relations. This endless screw perpetually applied by the growth of cartel organizations has called forth the tariff mania of which Engels spoke and which has grown even more pronounced in our day."¹

Not all economists, even those whose sympathies incline toward communism as a social philosophy, will accept this analysis, but the existence of a problem arising from the export of capital to overcome the obstacles imposed by tariff walls can hardly be questioned. Similarly it may be that the problem of dumping in the Pacific is not as yet serious but the two problems are of sufficient intrinsic significance to warrant a fairly careful study in the respective national groups of the Institute, to be followed by round table discussion in 1933.

1 Bukharin, *op. cit.*, p. 75

III. ECONOMIC PLANNING

Restrictions on dumping or on the export and import of capital are only two out of many forms of governmental control imposed on international economic activity in the Pacific. It is a natural but mistaken view to suppose that a discussion of economic control such as is contemplated at the 1933 conference will resolve itself into a debate on the pros and cons of state planning after the Russian model. Admittedly economic planning and especially the example set in this field by the Soviet Union cannot fail to claim a good deal of attention in the discussions, especially in view of the attention which this form of centralized action has attracted at a time when most of the capitalistic world is plunged into the direst economic confusion and distress; but the novelty of these things need not be allowed to obscure the fact that agencies for centralized control under governmental or other auspices are by no means rare in the Pacific countries. Even if we leave out of consideration the whole important field of tariff Policies where state action has repeatedly been invoked for the purpose of controlling industrial or agricultural development, we are still confronted with an imposing and interesting array of instrumentalities which might lend themselves very well to round table discussion both in the national councils of the Institute and at the next conference. This will be the more so if each of the national groups would undertake to prepare a survey of what is being done along these lines in their respective countries, and after having submitted their results to the beneficial process of round table discussion in their own group would hand on a report to the Central Secretariat and to other national councils about a year or nine months in advance of the conference. A few obvious examples of this type of control may be mentioned. Japan, from the very beginning of her effort to catch up with the industrial nations of the west, used the energies and the credit of the state for the fostering of special industries and certain forms of com-

merce. Her banking system was drawn up with an eye to the assistance it might afford to various departments of the nation's economic life. The Hypothec bank and its subsidiaries in the prefectures were devised to care for the special long-term needs of agriculture; the Yokohama Specie Bank was established largely for the promotion of foreign trade and exchange, while the Banks of Taiwan and Chosen were entrusted with important functions of colonial development; subsidies were given liberally to the important industries in their early stages and still form an important factor in Japan's mercantile marine.¹ In Australia and New Zealand a well developed system of government control and financial support was adopted to regulate the inflow of settlers and the opening up of new lands for development. Marketing control schemes have been set up to regulate the production and sale of staple exports of both countries and in Australia particularly certain industries such as sugar and butter production have been subsidized, even at a high cost to the state and to the general consumer.

"In the United States, the alleged bulwark of *laissez faire*, a federal farm board is trying to control indirectly production and prices in agriculture; a federal stabilization board is planning public works; the governor of a large state is forcing producers to shut down their privately owned wells in order to raise the price of oil; a lumber conservation board is considering how to eliminate cut-throat competition among producers; while employers in the coal industry are asking the government to take a hand in their industry in order to regulate it out of its present chaos."²

With the results of such studies and preliminary discussions before them, the members of the 1933 conference might well give their efforts to considering how much of the

¹ See H. G. Moulton, *Japan an Economic and Financial Appraisal*, Brookings Institution, Washington, 1931.

² Lewis L. Lorwin, *The Need for World Economic Planning*; American Council, Institute of Pacific Relations, 1931, page 4.

experience of countries which have attempted these schemes or have imposed forms of centralized control on particular industries, can be drawn upon for extension to other countries. Local peculiarities and differences in political structure would naturally tend to prevent the wholesale application of any given form of economic planning to each of the Pacific countries, but it is probable that a vast amount could be gained by the pooling of such experience and by the application of certain general policies already tried out successfully in other areas.

At first sight it would seem that for countries like China and Java where the principal economic objective is to raise the standard of life of a large population and to catch up industrially with the nations of the west—where, in short, the problem is fundamentally one of increasing production—a great many phases of the Soviet Five Year Plan might be adopted without difficulty. For other industrial countries where the problem grows out of the breakdown or the maladjustments of a productive system that is technically well developed, or in countries where the economic activity is centred upon supplying foodstuffs and raw materials for a distant foreign market, the application of a centralized plan would present more serious obstacles. The United States with its vast homogeneous domestic market and its abundant supplies of raw materials might easily adopt a system of industrial planning which would be quite impracticable for a country like Australia whose prosperity depends not upon its own consumers, but upon the demand for its wool, wheat and butter in England, America and continental Europe, or for Japan whose fortunes hinge on her ability to purchase raw materials in India, China and America and then to sell—in many cases to sell back again the same raw materials in manufactured form—in those same countries.

To point out difficulties of this kind is not to decry the possibilities or the indubitable advantages of state planning or of any form of rational economic control to re-

place the present haphazard system, the wastefulness and injustice of which have been so shockingly exposed in the hard light of the depression. Rather it is to call attention to the need for immediate and careful utilization of all the information and the best expert knowledge available, in order to appraise the special requirements of particular countries, and the extent to which national efforts are dependent upon international collaboration. For the need is not only that nations should be forewarned of emergencies, but that they should have ready a concerted plan of action when the catastrophe threatens or is upon them. A reading of the report¹ on the world economic depression prepared for the League of Nations by the cooperative efforts of authorities from many countries suggests strongly that even complete possession of all existing information could not have made possible the accurate forecasting of certain phases of the slump. And on the other hand the attempts of Great Britain and Japan to safeguard their financial positions by domestic retrenchment policies furnish good evidence that in an economic world so inextricably linked together such efforts to ward off disaster without the active cooperation of other countries, may not avert but perhaps even aggravate an ultimate collapse. A vital question for examination in the conference round tables would therefore be: how far, in view of the existing economic inter-dependence of the Pacific countries, and of their dependence on extra-Pacific countries, any scheme of economic planning in one country will conflict with the interests of another, and consequently how far its success must pre-suppose a measure of prior international agreement.

But quite apart from comprehensive industrial and agricultural plans, there remain in the Pacific nations a number of large public works and developmental projects, where even the pooling of technical knowledge from other countries might prove exceedingly valuable and help to avoid

¹ *The Course and Phases of the World Economic Depression*, League of Nations, 1931.

the repetition of costly mistakes. As examples of this type of "economic control" which is free from some of the international difficulties attaching to schemes of state planning, one might refer to plans for agricultural settlement, large reclamation or conservancy projects, as well as such works as plant and stock breeding, railway and road construction, the organization of banks, cooperative societies and the like, in which scientific and technical assistance from abroad are more easily available. These forms of cooperation are more significant than is commonly believed. There is little doubt, for instance, that the settlement of regions like Northern Manchuria and Mongolia might be carried out without much of the exploitation and misery that have thus far marred the peopling of those pioneer lands, if an effective directing agency could bring to bear on the process even a little of the collective experience of Canada, Japan, Australia and the Soviet Union in their colonizing and agricultural settlement enterprises.

It is greatly to be hoped that the data papers of the 1933 conference will include one which brings together the main facts on works of this sort carried on by the Japanese authorities in opening up Hokkaido for settlement or in developing parts of Korea, Formosa and Karafuto, by the Soviet Union in its colonizing of eastern Siberia, by the Canadian Government and the Canadian Pacific Railway in the settlement of western and northern Canada, by the Development and Migration Commission in Australia, and by the agencies of the Philippines and the Netherland East Indies charged with the task of re-distributing population over those territories. It is suggested that the preliminary work of collecting and translating the necessary material by the National Councils ought to be initiated before the middle of 1932 in order that the coordination may be undertaken or arranged by the central secretariat early in the following year.

There remains yet another form of "control" perhaps best designated by the adjective "social" which should find a place

in the conference discussions since it is a product of an important type of economic conflict, namely class conflict. What is called for is not so much a recital of the causes of labour disputes in Pacific countries or an exposition of theories of class warfare, though both of these are important, as an examination of the restraints which have been imposed upon economic activities in the interest of social welfare, and a survey of the organizations, guilds, societies, trade-unions and so forth, which have been fostered or tolerated in the different countries in order to allow for the collective and unified expression of the interests of the various economic classes of society, more particularly the working classes. Related to this would be a study of the extent and ways by which the so-called capitalistic nations of the Pacific have already been "tainted" by socialistic doctrines and institutions, and of present-day tendencies toward or away from the further "watering-down" of capitalism and *laissez faire*. With this information as a background the conference discussion groups might consider the question of how these social ideals and institutions which have been utilized within single nations for the betterment of the social order, could be expanded and welded together for the amelioration of social conditions in the Pacific area as a whole. The mere notion in the minds of many people will appear too academic and visionary to merit serious consideration by practical men. There is no gainsaying the immense difficulties in the way of attaining such a goal when one recalls how often the tariff policies or the immigration exclusion movements that have created acute situations of international tension and ill-will, commanded the support of, and even had their origin in, the working classes. Yet on the other hand it is not necessary to go as far afield as the work of the Communist International to discover illustrations of the growing sense of solidarity and community of interest among the workers' organizations of the Pacific countries. Visionary or not, the idea is too vital to be ignored in the attempt to weigh the possibilities of social and economic control in the Pacific world.

IV. POLITICAL CONFLICT AND CONTROL

Political conflict in the modern world is as often as not the outward manifestation of an underlying economic *malaise*, for economic forces do not act in a world of their own, but in and through the medium of political institutions. Whether or not a given form of conflict is called "political" or "economic" is often an accident, depending upon whether it is convenient for the particular business interests concerned in the matter to work through ordinary business devices, as for example, by price agreements, control of banks, establishment of branch factories abroad, mergers and the like; or to utilize the powers of the State by bringing pressure to bear through lobbying and other parliamentary channels upon international economic policies such as tariffs, immigration, and foreign loans, in order to achieve the same ends, by more cumbersome and roundabout methods. It is in fact mainly because such methods are cumbersome that situations of international conflict arise. They arise from the attempt to use an early 19th century set of political concepts, in order to deal with the changed conditions of the present day when economic and political boundaries no longer coincide, from the attempt to confine a "world" economy within the narrow definitions of "national" political thinking, or to cling to notions of absolute sovereignty that are no longer consistent in a world of interdependent communities. Post-war Europe with its new political frontiers, new nationalisms, re-allotment of raw materials, and new tariff walls provides a score of illustrations of the conflict arising from the persistence of these obsolete concepts of political sovereignty. The unhappy history of the war-debts and reparations problems where the attempt to effect great transferences of wealth from Europe to America has been impeded by the tariff wall of the latter, is another example.

It is not necessary, however, to go as far afield as Western Europe for illustrations, for the Pacific area is infected with the same virus, as the recent tariff policies of Canada, the

United States, Australia and New Zealand have shown. These examples indeed furnish telling evidence of the dangers attendant upon attempts at national planning or other forms of economic control unless they are preceeded by carefully devised international agreements. In the effort to secure a balanced and well controlled economy a country may find itself driven to employ all the devices of high tariffs and discriminatory legislation, unless it can first make the necessary political agreements with other countries, or unless it is prepared to follow the example of the Soviet Union in shutting itself off in an economic universe of its own. The difficulty (the risks of outside competition) is a familiar one in all schemes of price-fixing or restriction of output. It was, for example, the rock on which the Stevenson rubber restriction scheme was wrecked.

The discussions of the China Conference of the Institute repeatedly showed the need, however, for some broad form of "political control" in the economic life of the Pacific countries—a control over situations which lie at the root of the major international problems in the Pacific today. Of these the first relates to access to raw materials on the part of the industrialized nations of the Pacific; a second relates to access to markets, and a third to access to new lands that will provide overcrowded countries with an outlet for migration both of people and of capital. Naturally one thinks first of Japan in this connection and it was a Japanese member who stressed the importance of the question in the China Conference, both in reference to the present Manchurian crisis and to the whole question of economic relations in the Pacific. Japan, he urged, is surrounded by three insurmountable walls: first the maintenance of the political boundaries laid down by the treaties of Versailles and Washington; second; the closing of almost all the former outlets for Japanese emigration by the immigration legislation of the four English speaking countries of the Pacific; third, the imposition of higher and higher tariff walls which throttle

her efforts to solve her population problem by a policy of industrialization and commercial expansion. It is the consciousness of being thus hemmed in, which leads the statesmen of Japan jealously to guard what territories or special interests she has acquired outside of Japan proper and to resist as they have done in Manchuria anything that seemed likely to endanger those interests. To suggest that these problems—namely, of providing access to markets and raw materials and outlets for population expansion—ought to bulk large in the 1933 conference discussions, will seem impolitic and impractical to many people. It will be argued that tariff policies, immigration restrictions, control over the export of raw materials and the like, are matters of domestic concern for the respective governments, and that many of the problems raised have already hardened into fixed and accepted policies about which no further debate is profitable. To this there is no answer except that these are the fundamental problems in the international relations of the Pacific and that no discussion of political and economic “control” in that area can be taken seriously if it does not come to grips with them. Apart from this, the time will be ripe in 1933 for a resumption of some of those discussions of population and immigration which were left uncompleted at the 1925 and 1927 conferences until the necessary scientific knowledge on questions of population growth, food supply and land utilization could be gathered. Two years hence a large part of the Institution’s research on these subjects will have reached a point where it may be used to reinforce the conference discussions in a way not possible in the first two conferences.

So, too, it would appear that discussions of political “control” in the Pacific, if they are to be at all adequate, must take into account such difficult but basic questions as colonial policies and their converse aspect—independence and self-determination movements. Parallel with these discussions there might well be an examination of the relation of colonies and dependencies to the problems of armaments and security

in the Pacific, especially in view of the changed international situation brought about by the Kellogg Pact, the London Conference, and possibly by the Disarmament Conference soon to be held. All these and a number of kindred matters might form part of an inquiry into how far the old conception of national sovereignty in the Pacific nations has been "impaired" or is being gradually whittled down, by the existence of such institutions as treaties of non-aggression or mutual guarantee, the machinery of the League of Nations and the International Labour office, the Mandates system and the like. Finally it is suggested that the problem of Sino-Japanese relations is too momentous in the political affairs of the Pacific to be ignored, even though the emphasis of the 1933 conference will be less on the problems of one country than in 1931. The underlying conflict here is one of long duration. For many years to come, throughout the painful period of national unification and modernization in China, there will inevitably be situations of strain between the two countries simply because they are economically so linked together. The Institute conferences provide an opportunity, which it is hoped will not be overlooked, for prominent citizens of liberal outlook, to meet and continue in an unremitting attempt to devise new channels of consultation and new instruments of conciliation so that the recurring situations of strain may be prevented from developing, as they have done in the present dispute, into open conflict.

V. CULTURAL CONFLICT AND CONTROL

In setting down "Contact of Cultures and the Problem of Education" as one of the three general topics for conference discussion, the Program Committee was not merely endeavoring to find room for a subject which in one form or another has always had a place in the conferences of the Institute of Pacific Relations, but was underlining the fact that culture contacts and conflicts must be conceived of in wider terms than western influences upon Oriental literature, art, architecture and music, although it is in these terms that previous Institute discussions have largely been conducted. On the one hand it drew attention to the necessary connection between education (in its broadest aspect) and the problems of cultural conflict which abound not only in the modernized cities of the Orient but throughout the specialized communities of the Pacific islands wherever the missionary or the trader or the tourist has set foot; on the other, it had in mind the possibilities of conducting a very thorough discussion of how far education might consciously be made the instrument of cultural "control" in order to allay or use to better advantage the inevitable situations of conflict and disorganization which arise when western culture impinges upon a traditional and specialized culture.

More than that, the Committee was anxious that the members of the 1933 conference should perceive that these problems of political and economic conflict outlined in the preceding pages are but a part of a larger picture. Political and economic conflicts are after all only two elements in a complex process of cultural interaction affecting all branches of human life and social organization. If this is understood it is easier to appreciate the suggestion of one leader of Chinese thought that much of the political conflict in the relations between China and the foreign Powers, is at bottom the resultant (or at any rate an invariable symptom) of a cultural conflict arising out of China's failure to modernize herself. It is likewise easier to see how the

process of "expansionism" mentioned above is so often accompanied by what seem to be inconsistent activities on the part of missionary, philanthropic and educational bodies in the so-called imperialist countries.

Without denying the fundamental significance of these cultural problems, one may point out that most of them are too large and as yet too little studied to lend themselves easily to round table discussion, unless some arbitrary delimitation of subject matter is made. The suggestion made here is therefore that the discussion of cultural conflict and control should proceed along two main channels—one dealing with specific educational problems and the other on those broader questions of culture contact, which have proved so difficult to handle adequately in past conferences of the Institute, unless they could be treated as part of a more concrete problem such as the administration of dependencies and native peoples. The Program Committee in its next meeting toward the end of 1932 will be faced with the task of deciding whether one or both of these avenues of approach will be utilized, and whether by special groups or in general round tables. Whatever its decision, there will be urgent need for intensive study and preliminary discussion by the national groups, if so large and difficult a set of problems is to receive anything like adequate treatment in the conference round tables.

The specific problems of education are many but those which most concern the Institute may not unfairly be included under some such general question as: how can improvements best be effected in the educational policies, school curricula, and press organizations of the Pacific countries in order to promote a better informed public opinion on matters of international concern? Here the problem is not only one of educational methods—as for example in the teaching of history or in the appreciation of Oriental art and folklore. It is equally a question of aims on the part of the highest authorities of the nation—whether the object of an educational system is to develop individuals to the fullest measure of their

capacities as citizens of the world or whether, as in the scheme of National Ethics described by a well known critic of Japan's educational system, "internationalism is confused with cosmopolitanism and is supposed to be closely allied with treason,"¹—a view by no means peculiar to Japan. Nor is it merely a problem of education in schools and colleges, but of that wider education which goes on through the medium of the newspaper, the motion picture and the popular magazine. The press alone would provide a large subject for a discussion of problems of international education, and an exceedingly profitable round table might be organized to discuss how far the known existence of government control (either financial or through direct censorship) over news services and cable or radio communications, and the equally potent control exercised by large business interests over newspaper policy, are factors tending toward or away from international amity. Such a discussion would not be effective, however, unless it were preceded by careful preparation and the collection of relevant material from each of the countries concerned.

The newspaper as an instrument of education is necessarily limited to communities with a measure of literacy and a measure of communication with the outside world. For many parts of the Pacific area—the interior of China, the Philippines, the Dutch East Indies and Indo-China—neither of these conditions is present. Here, as in many of the smaller Pacific islands, education is a more primitive process of copying the examples set by traders, officials and missionaries. But it is precisely here that education may in future years be used to greatest effect as an instrument of cultural control, and for that reason the 1933 conference members might find it well worth while to continue with a discussion which was initiated in the round table on Pacific dependencies at the 1931 meeting. Such a discussion must deal with two questions, one involving an analysis of present practice, the other requiring the formulation of future policies. The two may be formulated under

1 Nitobe, *Japan*, Ernest Benn, London, 1931, p. 238.

some such inclusive terms as: what are now and what should be in future the guiding policies and the practical methods adopted by the responsible authorities for the introduction of western ideas of education, social disciplines and public health among the politically dependent and economically backward areas of the Pacific? If the experience of the Pacific dependencies round table may be trusted, a discussion of this sort would undoubtedly reveal profound differences in educational aims and general administrative policies as between such nations as the United States, Great Britain, France, the Netherlands, Japan and the Soviet Union (in its administration of aboriginal peoples in Siberia). They are differences which certainly ought to be analyzed with care and in the light of the fund of experience which is being built up by the Mandates Section of the League of Nations and the Native Labour Section of the International Labour Office

Not all the members of the 1933 conference will be content with an examination of educational problems alone, or of cultural conflicts in the dependencies of the Pacific. They will urge that these latter are only a phase—and that a comparatively simple phase under something like “laboratory” conditions—of a vast complex process of cultural disorganization and assimilation going on throughout the Orient. They will point not only to the school, the missionary and the trader, but to the growth of modern industry and commerce, the development of communications and foreign trade, the breakdown of traditional systems of ethics and the emergence of new social groupings in countries like China and Japan, as equally significant evidence of the impact of Oriental and Occidental civilizations. The student of cultures will be interested in the causes that lie behind China’s apparent failure in modernizing and Japan’s apparent success. He will seek an explanation for what a Chinese student has described as the supremacy of modern European civilization in the East. Why, he will ask, have certain parts of old traditional culture patterns persisted when others have been supplemented by new western forms?

To discover the answer to these riddles is the task of the social scientist; but the statesman and the educator—and the latter is a term that in its deepest sense should apply to most Institute members—cannot be content with explanations. In shaping their policies they will wish to devise means for the sharing of desirable Oriental concepts, ideals and usages with western societies and at the same time to see that the uglier and less valuable aspects of western civilization are not adopted wholesale by Oriental peoples to the exclusion of finer though less obvious aspects especially when many of these uglier aspects are being suppressed in the West. The Orient has too often been the dumping ground for the discarded inventions and outworn fashions of the Occident. There is danger that it will likewise become the resting place of discredited social ideals and moribund political concepts that are fast being superseded in the place of their origin.

Round table discussion of these subjects is not easy, as those members can testify who participated in the work of the China Conference sub-committee on cultural relations. Specialists disagree on points of emphasis and lines of approach; terminology is not standardized, and the layman is bewildered by the range and apparent vagueness of the concepts employed. If such a meeting is not to resolve itself into a highly technical debate between professional students of the problem, some kind of limitation of the subject matter to fairly narrow and concrete issues would seem indispensable. Only so will it be possible to secure an effective participation on the part of the general conference members. While naturally the choice of those issues must rest with the Program Committee, it is possible at this stage to take note of two, that because of their intrinsic importance in the international relations of the Pacific, have a strong claim for consideration. One of these is the special form of cultural clash known as racial conflict; the other is the work of the Soviet Union in building what is tantamount to a new civilization, and with it the problem of cultural relations between a Communist state and the other Pacific nations.

Problems of racial contact have always claimed the interest of the Institute, but mainly from the economic and political viewpoint. It is suggested, however, that a study of the problem considered in its broader aspects as a form of cultural conflict, to be followed by a round table discussion at the conference, might be carried on by the National Councils with great profit during the next twelve months. Such an inquiry should not be confined to statistical surveys of intermarriage, birth and mortality rates, delinquency, occupations and the like, or to descriptions of the peoples concerned in regions of race contact such as British Malaya or Hawaii. In the first place there is an important task for the ethnologist to perform in systematically analyzing the elements of the respective cultures that are assimilated or discarded in such regions—a piece of work hitherto not attempted in any thorough-going way. Secondly there should be an attempt to grapple with a whole series of concrete and related questions: the extent to which and the reasons why an indigenous culture modifies or is itself modified by an invading immigrant culture; the influence of native cultures like the Maori or the Hawaiian upon the modern cultural life of New Zealand and Hawaii; the social status of mixed bloods in areas of race contact; the part played by the Eurasian in such growing Oriental cities as Singapore, Shanghai, Hongkong and Batavia, or by the *mestizo* in the Philippines; the influence of oriental immigrants upon isolated cultures as revealed in the study of Pacific island communities; the reciprocal influence on each country of Japanese-Korean contacts; the contribution made to the cultural life of the United States and Canada by such immigrant groups as the Chinese, Japanese, Mexicans and Filipinos.

Parallel with this work there should be a search for reasons why race contacts or miscegenation, even when associated with economic rivalry, involve conflict in some regions and not in others—why, for example, California, Queensland and Southeast Manchuria have presented situations

of strain arising out of race contacts when Malaya, Siam and the South American countries for the most part have not. Finally for the sake of those who are interested in "control" rather than contact or conflict—in future policies, that is to say, rather than in present conditions—an examination might be made of the ideals which have guided the responsible authorities in administering these communities, and of possible improvements both in the objectives and in the methods used for their achievement.

The other question, namely the educational and cultural work of the Soviet Union, is new ground for the Institute. Aside from its intrinsic interest and its potential significance in the international relations of the Pacific, it must challenge the attention of all thoughtful men and women as a momentous experiment in deliberate cultural "control" conducted on a scale hitherto undreamed of. Whatever opinion is entertained as to the ultimate goal of such a labour, or as to the methods employed to attain the goal, an experiment which aims to modernize the economic life of 150 million people, most of them till recently illiterate peasants, to re-fashion a whole social order, to devise a new set of economic incentives and social ideals, to create new canons of personal conduct and prestige, to transform a whole system of morality, and to draw upon new motives after having built up new interests in order to achieve eventually a system of world peace and tolerance hitherto unattainable, must find a place in the discussions of any group seeking to comprehend the processes of cultural conflict and the machinery of cultural control. Whether it is a subject that will lend itself well to the democratic procedure of a conference round table cannot well be foreseen; it will depend very much on the personnel of the 1933 meeting. It may be that the matter is to one-sided, too peculiar to the development of Soviet Russia to permit that degree of mutuality which the round table method demands, in which case it will perhaps be best handled by small groups of specialists or in formal addresses. What is important is not the method of

procedure but that in one way or another the conference should acquire something of that fund of experience which must have been built up by the Russian authorities—an experience of social reconstruction, methods of adult education, techniques in the moulding of mass opinion—so that they may see how far this experience can be adapted to form an instrument of cultural control in other regions of the Pacific.

VI. THE 1931-33 RESEARCH PROGRAM

In the preceding pages a number of tentative suggestions have been put forward concerning studies which might appropriately be undertaken by the various national councils during the next twelve months in preparation for the 1933 conference. In order to complete the picture of the research studies that will probably be available for that meeting, we conclude this booklet with a list of the projects in the International Research Program of the Institute.¹ First are given the studies approved by the International Research Committee at the China Conference, on most of which reports either final or preliminary should be ready for the fifth conference; second those current projects initiated prior to the China Conference but not yet completed. Final reports on most of the latter will be ready before the middle of 1933.

Projects Approved at the China Conference

The International Research Committee approved seventeen projects of research, and made grants on fourteen of them, referring the other two to the various National Councils and one to the newly formed Institute of Economics at Nankai University, Tientsin. Five of the projects represent continuations, sometimes with important modifications, of work which had already been initiated at the Kyoto Conference. Their titles and directors are given below:

1. "Dependencies and Native Peoples of the Pacific:" a cooperative international study directed by Mr. F. M. Keesing and under the general supervision of the Chairman and Secretary of the International Research Committee.
2. "Land Utilization, Population and Food Consumption in China:" under the direction of Professor J. Lossing Buck, Department of Agriculture, University of Nanking.

¹ For a more detailed account of the 1931-33 research program see the article "Research and the Institute of Pacific Relations" in *Pacific Affairs*, February, 1932.

3. "Population Movement from Shantung and Hopei to the Three Eastern Provinces:" under the direction of Professor Franklin L. Ho, Institute of Economics, Nankai University, Tientsin.
4. "Land Utilization in Japan:" under the direction of Dr. Shiroschi Nasu, Department of Agriculture, Tokyo Imperial University.
5. "Changing Rural Social Life in Japan:" under the direction of Dr. Shiroschi Nasu, Department of Agriculture, Tokyo Imperial University.

The eight new projects on which funds were granted at the China Conference are as follows:

6. "District Organization and Local Government in North China:" to be under the direction of Professor C. M. Chang, Nankai University, Tientsin.
7. "Silver Fluctuations as Affecting Pacific Trade:" to be directed by Professor M. Araki, Tokyo Imperial University.
8. "Japanese Dependencies and Colonial Policy:" to be directed by Mr. T. Maeda, Japanese Council of the Institute of Pacific Relations.
9. "The Japanese Family System:" to be directed by Mr. Soichi Saito, Secretary of the Japanese Council of the Institute of Pacific Relations in collaboration with Mr. Yusuke Tsurumi.
10. "Humanism in China:" to be undertaken by Professor Quentin Pan, University of Shanghai.
11. "Re-distribution of Population in the Philippine Islands:" to be undertaken under the auspices of the Philippines National Council when arrangements for securing a director have been made.
12. "Land Utilization in Australia:" to be undertaken under the auspices of the Australian Council when arrangements for securing a director and cooperation from Australian research institutions have been completed.

13. "Coordination of Studies on Land Utilization:" arrangements are being made to have this work carried out by or under the supervision of Dr. Carl L. Alsberg, Food Research Institute, Stanford University.
14. "Coordination of Tariff and Trade Studies:" arrangements are being made to have the work carried out, probably by Mr. Philip G. Wright of the American Council.

In addition to these studies the International Research Committee gave its endorsement to three more projects, recognizing that they were important and pertinent to the Institute's program of research. It therefore recommended that they be undertaken by the bodies named below and that these organizations should endeavor to secure funds for this purpose.

16. "Rural Industries in North China:" referred to the Institute of Economics, Nankai University, Tientsin, to be carried out if possible by Professor H. D. Fong.
16. "Armaments and Diplomatic Machinery in the Pacific:" referred to each National Council of the Institute, the work of drawing up the outline of the study being entrusted to the Australian Council.
17. "Communications in the Pacific Area;" referred to each National Council, the work of drawing up the outline of the investigation being entrusted to the Canadian Council in consultation with the Editor of "Pacific Affairs."

At the 1929 Conference each National Council was asked to arrange for studies on the status of aliens within its country and a sum of money was set aside for the coordination and revision of these separate studies. Seven such reports were presented at the China conference, and arrangements were made for a co-ordinating study.

18. "The Legal Status of Aliens in the Pacific Area:" the work of coordination has now been entrusted to Professor Norman McKenzie, University of Toronto.

Other Studies Now in Progress Which Will Probably Be Available at the Fifth Biennial Conference.

Final reports or progress reports on most of the projects enumerated above will be presented at the 1933 conference of the Institute; but in addition to these there are several important Institute research projects already under way but not likely to be completed until the end of 1932 or later, many of them being projects authorized at the Kyoto conference but not commenced until late in 1930 because of unavoidable delays. Most of them, however, should be in a form suitable for presentation at the next conference, and they are accordingly listed here in an attempt to forecast the general content of the papers available for the 1933 meeting.

1. "International Economic Relations of China:" this study is being directed by Professor C. F. Remer, University of Michigan under the general supervision of the Brookings Institution, Washington. A preliminary report entitled Foreign Investments in China" was distributed at the China Conference. It is expected that the final report will be published as a book about the end of 1932.
2. "Trend of Pacific Agriculture from Subsistence to Cash Crop Farming:" the work is being carried out by Professor E. F. Penrose, under the auspices of the Food Research Institute, Stanford University. A report will probably be published during 1932.
3. "Economic Geography of China:" this book by Professor George B. Cressey, now of Clark University, is in course of publication by the Commercial Press, Shanghai and should appear during 1932.

4. "Industrialization in Tientsin:" Professor H.D. Fong, Nankai University, Tientsin, has already published three studies: "The Carpet Industry in Tientsin;" "Hosiery Knitting in Tientsin;" Rayon and Cotton Weaving in Tientsin." The two final studies, one on the Flour Milling Industry and the other on the Cotton Spinning Industry are both in process of completion and will be published during 1932.
5. "Population Movements from Shantung and Hopei to Manchuria:" A preliminary report entitled "Population Movement to the Northeastern Provinces of China" was prepared by Professor Franklin L. Ho,, Nankai University, as a China Council data paper for the China Conference. The first part of the investigation, namely of settlement conditions in Manchuria, has been completed and work is now being initiated on the areas of emigration in certain districts of Shantung and Hopei Provinces. The final report will be completed early in 1933.
6. "Land Utilization in Japan:" A new edition of this book by Dr. Shiroshi Nasu, Tokyo Imperial University, representing a revision of the report presented to the Kyoto Conference will be published by the University of Chicago Press early in 1932.
7. "Japanese Industrial Development:" Mr. J. Asari, Tokyo Branch of the International Labour Office is director of this study. A final report will be completed early in 1933.
8. "Comparative Study of Boycotts:" Work on this study has been carried out for the past 18 months under the direction of Professor K. Takayanagi, Tokyo Imperial University. A report will be made available about the end of 1932.
9. "Land Utilization in Korea:" the investigations for this project have been conducted by Mr. Hoon K. Lee, Union Christian College, Korea, under the general

supervision of Dr. I. Bowman, of the American Geographical Society, New York. A report will be ready about the end of 1932.

10. "Land Utilization in New Zealand:" The work on this study was commenced early in 1931 under the direction of Professor H. Belshaw, Auckland University College, New Zealand. It is anticipated that a final report will be published about the end of 1932.
11. "Industrialization in Shanghai:" This project was placed under Mr. D. K. Lieu, Bureau of Statistics, Nanking, who has secured active cooperation in finance and personnel from several research institutions in Shanghai. The report will be completed early in 1933.

The above studies represent only a part of the total number which will probably be available either before or at the 1933 conference of the Institute. At each conference there are always several significant studies presented directly by the National Councils, and at the 1933 conference these will doubtless be augmented by papers from the two new units of the Institute in Moscow and the Philippines and possibly also the Netherlands East Indies. It may be presumed that as heretofore, the International Labour Office and the Secretariat of the League of Nations will make available several important contributions to the conference literature.

VII. QUESTIONS FOR DISCUSSION AND RESEARCH¹

ECONOMIC CONFLICT AND CONTROL

For Discussion:

In view of the increasing economic inter-dependence of the Pacific countries, what are the possibilities of exercising a more rational control over the economic penetration of these countries by external business interests?

What improvements or modifications should be made in the existing forms of government control over economic activities in the Pacific, e.g. in control over foreign loans and international cartels; state subsidies to shipping and other enterprises; import and export restriction?

To what extent is it possible or desirable for the Pacific area to become economically more self-sufficient?

How far has the process of "expansionism" justified itself in the economic sense? How far has it brought permanent economic benefits to the industrial nations of the West, and how far has it improved the economic status of the so-called backward countries affected by it?

For Research:

To what degree are (a) the industrial nations of Europe (b) the United States and Japan, dependent on the countries of the Pacific area for raw materials and for markets? What are the "key" raw materials and foodstuffs of the Pacific area? What have been the tendencies towards greater or less economic dependence among the Pacific countries in the last decade?

What are the significant trends and changes in the magnitude and distribution of Pacific trade in the last decade? How is this reflected in Pacific shipping?

¹ The list of questions must not be regarded as final or exhaustive. It includes most of the questions set down in the circular letter together with a few additional suggestions made in the text of earlier sections of this booklet.

What is the nature, the amount, the source, the distribution and the present tendency of foreign investment in the Pacific area? How far have the Pacific countries proved a profitable field for investment as compared with Europe and Latin America?

What are the principal cartels, trusts and large corporations with branch factories abroad, operating in the Pacific countries? What is the measure of their influence on the economic life of the respective countries? What forms of control are imposed on such enterprises by the various governments?

To what extent is dumping practised in the Pacific area? What are the regulations designed to restrict or prevent it in the various countries?

How high, how discriminatory and how effective in developing domestic industries are the tariffs of the Pacific countries in comparison with those of Europe? What effects on the economic life of the Pacific countries and on the commerce of the whole Pacific area might be expected to result from a drastic general reduction of tariff levels?

ECONOMIC PLANNING

For Discussion:

How far and in what practical ways is it possible for schemes of industrial and agricultural planning to be initiated in the Pacific countries? How much of the experience of countries (e. g. the U.S.S.R.) which have adopted such schemes or have imposed forms of centralized control on particular industries, can be drawn upon in the attempt to extend such schemes to other countries?

To what extent will the adoption of an economic "plan" in any one country of the Pacific conflict with the general economic welfare of other countries? What degree of international collaboration or prior agreement would be essential to the success of schemes for economic planning? What particular industries and what general types of

economic organization may be expected to lend themselves best to centralized planning?

What are the practical possibilities of organizing migration movements on a more effective basis of international cooperation? How far is it possible to utilize the existing experience of State-aided schemes of colonization and immigration in such regions as Australia, New Zealand, Western Canada, Eastern Siberia and Japan, and the technical knowledge of the International Labour Office, in the wiser planning of future population movements in the Pacific?

What workable methods of international technical collaboration can be devised for the guidance of large projects of colonization, agricultural development, reclamation, railway and road construction in the Pacific countries?

Is it feasible to formulate plans for pooling the experience of certain Pacific countries in adopting methods of social reform, health and industrial welfare legislation, in order to make it easily available for countries economically less advanced? How far would such plans be advanced if supplemented by arrangements for the exchange of students, social workers and factory inspectors between the above countries?

For Research:

What types of economic planning or centralized control have been attempted and with what success in the Pacific countries? How far is a "plan" of the type adopted in Soviet Russia applicable to other Pacific countries not organized on Communist principles? What indirect forms of economic control, short of State ownership and control, are at present in existence in the Pacific countries. How far has a protective tariff been employed as an instrument of economic control in the Pacific countries? What special difficulties would be encountered if countries depending

on foreign countries for raw materials and markets, adopted systems of agricultural and industrial planning?

To what degree is the present economic depression due to the lack of centralized control over production and trade by the various industrial nations of the world.

What part of the war-time schemes of national economic control in the Pacific countries might be applied in the drafting of schemes of economic planning for the present day?

What types of "social control" e.g. labour organizations, cooperative societies, welfare legislation, wage-regulations, etc. have been introduced in the Pacific countries. What amount of international cooperation exists between the various labour movements in the Pacific?

POLITICAL CONFLICT AND CONTROL

For Discussion:

In view of the increasing over-lapping of political boundaries and the frontiers of economic interests, what are the possibilities of modifying the traditional concepts of absolute national sovereignty? How far has the absolute sovereignty of Pacific nations already been weakened by treaties of non-aggression, or by such institutions as the Mandates system, the League of Nations Covenant, the International Labour Organization?

Pre-supposing that the political boundaries of the Pacific area remain unchanged, what measures of international agreement are possible in securing equality of opportunity for the Pacific nations in the matter of access to raw materials and foodstuffs, access to markets and access to new undeveloped lands for settlement?

What should be the policy of the nations controlling or administering politically dependent and economically undeveloped territories in the Pacific area with respect to protection of native peoples, immigration of other races, and exploitation of natural resources?

How far is the principle of trusteeship implied in the Mandates system capable of being extended as a workable policy for the government of other dependent territories in the Pacific?

For Research:

What forms of international consultation and diplomatic machinery are available for the settlement of disputes arising from the over-lapping of economic and political frontiers, or disputes over access to vital raw materials? What types of political control are brought to bear on the export of "key" commodities in the Pacific countries?

What are the main political and strategic factors (as distinct from purely economic) involved in the possession of colonies and the administration of dependent territories by the principal Powers of the Pacific area? What is the bearing on the armaments problem of the Pacific of these territories?

What are the main lines of policy adopted by such nations as the United States, Great Britain, France, Japan and the Netherlands for the political administration of their colonies? In what ways do these policies differ from those carried out in the Mandated areas of the Pacific?

CULTURAL CONFLICT AND CONTROL

For Discussion:

How best can changes be effected in the educational policies, school curricula and Press organizations of the Pacific countries, in order to promote a better informed public opinion on matters of international concern?

How far is the known existence of control (by governments or large vested interests) over news services, cable and radio communications, and newspapers, an obstacle to the better education of the public on international affairs? What safeguards would be necessary to protect individual liberty and to avoid abuses resulting from

attempts at deliberate cultural "control" on the part of governing authorities through the medium of the Press and the schools of the Pacific countries?

What should be the guiding policies and the methods adopted by the responsible authorities (a) for the introduction of western ideas of education, social disciplines and public health in the dependencies and economically undeveloped areas of the Pacific (b) for the sharing of Oriental customs, ideals and cultural forms with western societies?

What methods might be adopted for ensuring that the conflict of divergent cultures may be so controlled as to provide for the survival of those values that are believed most essential for the Pacific community of nations? In formulating such methods, how much is to be learned from the methods adopted in the U. S. S. R. in its educational and cultural work?

For Research:

What work is being done in the schools, colleges, libraries and museums of the Pacific countries to encourage a greater and more intelligent understanding of Oriental art, literature, music and philosophy. What agencies are active in the Pacific countries for education of public opinion on matters of international significance?

What has been the influence of the mixed-bloods on the social and economic development of areas of race contact? What part has been played by the Eurasian in the development of large oriental cities like Singapore, Shanghai, Batavia. Manila, etc.?

What are the outstanding differences in the colonial policies of Great Britain, France, Japan, the United States and the Netherlands with respect to education of the native peoples, religious teaching, admission of immigrants and miscegenation?

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